



Real Estate Investment Builders • Developers

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August 2, 1999

Via Facsimile (512) 345-7297 and Certified Mail

Mr. Tom Morehart  
FAMILY GOLF CENTERS, INC.  
10515 Mo-Pac Expressway North  
Austin, Texas 78759

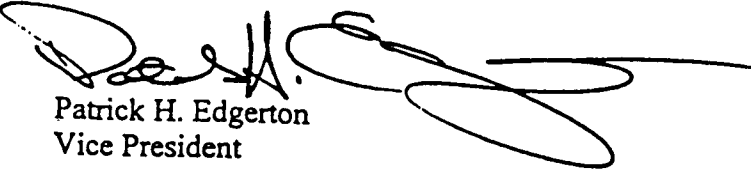
Re: Golden Bear Golf Center at The Highlands  
Carrollton, Texas

Dear Mr. Morehart:

- In May of this year you received a letter from me regarding violations of the Declaration of Covenants, Restrictions and Development Standards Applicable to The Texas Highlands. This letter was forwarded to you subsequent to a March 19, 1999 letter to Mr. Brad Underwood.

To date there has still been no movement to make the corrections requested. I would appreciate Family Golf's immediate reply as to the dates on which the corrections will be made. Please understand that not only are you in violation of the CC&R's as relates to the Property Owners Association, but also under your ground lease to Trinity Mills-Midway Partners. Please reply no later than Friday, August 6, 1999. Should you have any questions, please contact me.

Sincerely,

  
Patrick H. Edgerton  
Vice President

PHE:ss

cc: Todd Chalfin, Family Golf Centers, Inc., Melville, NY  
Brad Underwood, Golden Bear Golf Center at The Highlands, Carrollton, TX  
bcc: Fritz Duda, Jr.